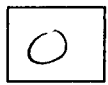


4-20-01
aw

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY



W-01392A WATER
OAK CREEK WATER COMPANY
~~P.O. BOX 3430~~ 90 Oak Creek Blvd.
~~WEST SEDONA AZ 86340-0000~~
86336

ANNUAL REPORT

FOR YEAR ENDING

12	31	2000
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FOR COMMISSION USE

ANN 04	00
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COMPANY INFORMATION

Company Name (Business Name) Oak Creek Water Co. No. 1

Mailing Address 90 Oak Creek Blvd.

(Street)

Sedona, AZ 86336

(City)

(State)

(Zip)

(520) 282-3404

(520) 282-3404

(520) 300-3835/ 300-3838

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

Local Office Mailing Address 90 Oak Creek Blvd.

(Street)

Sedona, AZ 86336

(City)

(State)

(Zip)

(520) 282-3404

(520) 282-3404

(520) 300-3835/ 300-3838

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

Management Contact: _____

John Madzik

president

(Name)

(Title)

55 Ross Circle, Sedona, AZ 86336

(Street)

(City)

(State)

(Zip)

(520) 282-5431

(520) 282-3404

(520) 300-3838

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

On Site Manager: _____

Steve Yerich

(Name)

2860 Hwy 179, Sedona, AZ 86336

(Street)

(City)

(State)

(Zip)

(520) 282-7084

(520) 282-3404

(520) 300-3835

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

Statutory Agent: Ronald N. Rovey
 (Name)

1785 W. Highway 89A, Ste. 3-I, Sedona, AZ 86336
 (Street) (City) (State) (Zip)

(520) 282-1155
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Attorney: Same as Statutory Agent
 (Name)

(Street) (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|---|
| <input type="checkbox"/> Sole Proprietor (S) | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input checked="" type="checkbox"/> Association/Co op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|---|-----------------------------------|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input checked="" type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

OAK CREEK WATER CO. NO. 1

Post Office Box 3430
West Sedona, AZ 86340

90 Oak Creek Boulevard
phone/fax (520) 282-3404
cell phones 300-5850, 300-5851

September 1, 2000

Officers & Directors

President:	John Madzik.....282-5431 55 Ross Circle, Sedona 86336 re-elected '97-2000, '00-'03
Vice Pres:	Dick Sitts.....282-5739 580 Saddlerock Circle, Sedona 86336 elected 9/99-2002
Secretary/ Treasurer:	Cindy Rovey.....282-7882 140 Northview Road, Sedona 86336 re-elected '97-2000, '00-'03
	Jock Becker.....282-3041 90 Valley View Dr., Sedona 86336 replaced Morris '99-2000, elected '00-'03
	Gary Graham.....204-2146 310 Rockridge Drive, Sedona 86336 elected '98-2001
	Wes Jackson.....282-4214 375 Inspirational Dr., Sedona 86336 re-elected '93-'96, '96-'99, '99-2002
	Ralph Singleton.....282-6122 125 Inspirational, Sedona 86336 re-elected '95-'98, '98-2001
	Bill Welter.....204-9043h 87 Morning Sun Drive, Sedona 86336 282-7321w elected 9/99-2002

COMPANY NAME

Oak Creek Water Co. No. 1

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises	4,277	1,354	2,923
303	Land and Land Rights	13,739	-0-	13,739
304	Structures and Improvements	54,381	39,840	14,541
307	Wells and Springs	94,538	12,605	81,933
311	Pumping Equipment	23,681	22,392	1,289
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	160,246	106,999	53,247
331	Transmission and Distribution Mains	568,888	326,043	242,845
333	Services	13,259	7,986	5,273
334	Meters and Meter Installations	22,054	18,380	3,674
335	Hydrants	5,759	4,244	1,515
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	4,096	1,946	2,150
341	Transportation Equipment	25,636	18,372	7,264
343	Tools, Shop and Garage Equipment	45,104	45,015	89
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment	20,329	12,171	8,158
347	Miscellaneous Equipment	1,439	1,329	164
348	Other Tangible Plant			
	TOTALS	1,057,480	618,676	438,804

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

Oak Creek Water Co. No. 1

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises	4,277	20.00	855
303	Land and Land Rights	13,739	0	0
304	Structures and Improvements	54,381	3.61	1,961
307	Wells and Springs	94,538	5.00	4,727
311	Pumping Equipment	23,681	5.46	1,283
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	160,246	2.72	4,358
331	Transmission and Distribution Mains	568,888	3.21	18,235
333	Services	13,259	16.48	2,185
334	Meters and Meter Installations	22,054	2.87	633
335	Hydrants	5,759	4.90	282
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	4,096	8.94	366
341	Transportation Equipment	25,636	20.00	5,127
343	Tools, Shop and Garage Equipment	45,104	.54	243
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment	20,329	12.35	2,510
347	Miscellaneous Equipment	1,493	14.53	217
348	Other Tangible Plant			
	TOTALS	1,057,480		42,982

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.

COMPANY NAME

Oak Creek Water Co. No. 1

BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 20,175	\$ 18,503
134	Working Funds		
135	Temporary Cash Investments	136,875	82,208
141	Customer Accounts Receivable	16,386	16,030
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies	8,186	8,187
162	Prepayments	1,176	1,236
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 182,798	\$ 126,164
	FIXED ASSETS		
101	Utility Plant in Service	\$ 1,055,136	\$ 1,057,480
103	Property Held for Future Use		
105	Construction Work in Progress	49,640	170,292
108	Accumulated Depreciation – Utility Plant	575,694	618,676
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 529,082	\$ 609,096
	TOTAL ASSETS	\$ 711,880	\$ 735,260

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITES		
231	Accounts Payable	\$ 6,063	\$ 0
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	3,285	2,360
236	Accrued Taxes	6,832	7,995
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	6,584	6,849
	TOTAL CURRENT LIABILITIES	\$ 22,764	\$ 17,204
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 0	\$ 0
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	218,308	218,245
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	355,130	355,130
272	Less: Amortization of Contributions	247,640	247,640
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 325,798	\$ 325,735
	TOTAL LIABILITIES	\$ 348,562	\$ 342,939
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 0	\$ 0
211	Paid in Capital in Excess of Par Value	17,605	17,605
215	Retained Earnings	345,713	374,716
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 363,318	\$ 392,321
	TOTAL LIABILITIES AND CAPITAL	\$ 711,880	\$ 735,260

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 207,246	\$ 223,625
460	Unmetered Water Revenue		
474	Other Water Revenues	10,702	9,152
	TOTAL REVENUES	\$ 217,948	\$ 232,777
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 67,630	\$ 71,439
610	Purchased Water		
615	Purchased Power	37,908	39,599
618	Chemicals		
620	Repairs and Maintenance	20,038	5,004
621	Office Supplies and Expense	7,594	8,570
630	Outside Services	12,336	10,666
635	Water Testing	6,351	372
641	Rents	8,868	3,026
650	Transportation Expenses	2,053	1,610
657	Insurance – General Liability	7,939	3,610
659	Insurance - Health and Life	737	3,231
666	Regulatory Commission Expense – Rate Case		200
675	Miscellaneous Expense	601	976
403	Depreciation Expense	43,506	42,982
408	Taxes Other Than Income	7,218	5,720
408.11	Property Taxes	10,751	11,956
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 233,530	\$ 208,961
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$ 7,103	\$ 5,333
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	403	146
	TOTAL OTHER INCOME/EXP	\$ 6,700	\$ 5,187
	NET INCOME/(LOSS)	\$ (8,882)	\$ 29,003

COMPANY NAME	Oak Creek Water Co. No. 1
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SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End	\$ -0-
--	--------

Meter Deposits Refunded During the Test Year	\$ -0-
--	--------

COMPANY NAME	Oak Creek Water Co. No. 1
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WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)
55-603919	30	130	8" - 7"	3"
55-603920	20	80	8" - 7"	3"
55-562092	75	325	10"	4"

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
N/A		

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) = 99,424,300

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
20	2	46	
10	2		
10	2		
5	2		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
150,000	1	5,000	1
84,000	1	1,600	1
60,000	2	1,500	1

STATISTICAL INFORMATION

Total number of customers	666	
Total number of gallons sold	87,503,200	gallons

COMPANY NAME Oak Creek Water Co. No. 1 **YEAR ENDING 12/31/2000**

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2000 was: \$ 10,980.12

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

COMPANY NAME Oak Creek Water Co. No. 1

YEAR ENDING 12/31/2000

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>N/A</u>
Estimated or Actual Federal Tax Liability	<u></u>

State Taxable Income Reported	<u>N/A</u>
Estimated or Actual State Tax Liability	<u></u>

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>325,735</u>
Amount of Gross-Up Tax Collected	<u>-0-</u>
Total Grossed-Up Contributions/Advances	<u>325,735</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.


SIGNATURE4-16-01
DATEJohn Madzik

PRINTED NAME

President

TITLE

COMPANY NAME Oak Creek Water Co. No. 1 **YEAR ENDING 12/31/2000**

**WATER AND SEWER
UTILITIES ONLY**

PROPERTY TAXES

Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2000)

\$ 10,980.12

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled Checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain reasons below:

**VERIFICATION
AND
SWORN STATEMENT**
Intrastate Revenues Only

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>Yavapai</u>
NAME (OWNER OR OFFICIAL) TITLE <u>John Madzik, president</u>
COMPANY NAME <u>Oak Creek Water Co. No. 1</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2000</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2000 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

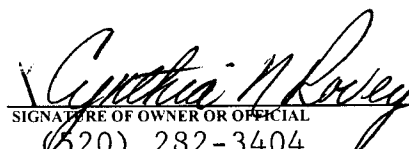
\$ 242,868.63

(THE AMOUNT IN BOX ABOVE

INCLUDES \$ 19,244.11

IN SALES TAXES BILLED, OR COLLECTED

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**


SIGNATURE OF OWNER OR OFFICIAL
(520) 282-3404
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

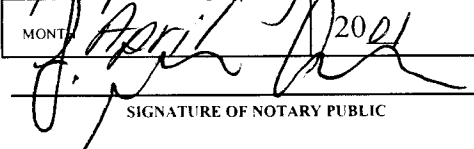
THIS

16th

DAY OF

L. GABRIELLE ANDERSON
(Notary Public, State of Arizona)
No. 210023

MY COMMISSION EXPIRES Yavapai County
Commission Expires 2/15/05

COUNTY NAME
Yavapai County
MONTH
April 2001

SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) Yavapai	
NAME (OWNER OR OFFICIAL) John Madzik	TITLE president
COMPANY NAME Oak Creek Water Co. No. 1	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2000

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2000 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 148,317.47

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 11,752.19
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

X

Cynthia N. Ravey
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

16th

DAY OF

NOTARY PUBLIC NAME L. Gabrielle Anderson	
COUNTY NAME Yavapai County	
MONTH April	20 01

(SEAL)

L. GABRIELLE ANDERSON
Notary Public, State of Arizona
No. 210023
Yavapai County
Commission Expires 2/15/05

MY COMMISSION EXPIRES

X

[Signature]
SIGNATURE OF NOTARY PUBLIC

3

OAK CREEK WATER CO., NO. 1 07/98
P.O. BOX 3430 PH. 520-282-3404
SEDONA, AZ 86340

1840

DATE April 20, 2000

91-170
8600 1221 AZ

PAY
TO THE
ORDER OF

Yavapai County Treasurer

\$ 5,410³⁵

Five thousand four hundred ten and 35/100

DOLLARS

Bank of America



FOR tax roll #s 125676 + 125677

Cynthia N. Rovey

⑈001840⑈ ⑆122101706⑆ 00025210980⑈

⑈0000541035⑈

05052000 YAVAPAI CREDIT TO PAYEE'S ACCT
51594 0002 ENDORSEMENT GUARANTEED
20658264 BANK ONE, PHOENIX, AZ
1221-00024

BANK OF AMERICA, N.A. TPE
122101706 E3578 01 01
05052000

3150112762

154578180

2069

OAK CREEK WATER CO., NO. 1 07/98

P.O. BOX 3430 PH. 520-282-3404
SEDONA, AZ 86340

DATE October 18, 2000 91-170
8600 1221 AZ

PAY
TO THE
ORDER OF

Yavapai County Treasurer

\$ 5,569.77

Five thousand five hundred sixty nine and 77/100

DOLLARS 

Bank of America.

408-26-500-6 

FOR 918-70-976-0, 918-70-970-2

Cynthia H. Lowry NP

⑈002069⑈ ⑆122101706⑆ 000252410980⑈

⑈0000556977⑈

102629000 YAVAPAI CREDIT TO PAYEE'S ACCT
41694 0007 ENDORSEMENT GUARANTEED
20658264 BANK ONE, PHOENIX, AZ
1221-00024

BANK OF AMERICA NA, INC.
122101706 ⑆3915 0101⑆
122100024
BANK ONE, PHOENIX, AZ